



STATE BOARD OF EQUALIZATION STAFF LEGISLATIVE BILL ANALYSIS

Date Amended:	1/07/02	Bill No:	SB 595
Tax:	Property	Author:	Chesbro
Board Position:	Board-sponsored	Related Bills:	AB 2227 (1991)

BILL SUMMARY

This bill would substitute the term “manufactured home” for “mobilehome” in various sections of the Property Tax Law.

ANALYSIS

Current Law

Under current law, the term “manufactured home” is essentially synonymous with the term “mobilehome” for property tax purposes.

Section 5801 of the Revenue and Taxation Code states that the term “manufactured home” as used in Part 13 means either a “mobilehome” or a “manufactured home” and references the Health and Safety Code for a specific definition of each. In turn, those definitions essentially reference each other.

Health and Safety Code Section 18007 defines a “manufactured home,” as

“a structure, transportable in one or more sections, which, in the traveling mode, is eight body feet or more in width, or 40 body feet or more in length, or, when erected on site, is 320 or more square feet, and which is built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and includes the plumbing, heating, air conditioning, and electrical systems contained therein; except that such term shall include any structure which meets all the requirements of this paragraph except the size requirements and with respect to which the manufacturer voluntarily files a certification and complies with the standards established under this part. “Manufactured home” includes a mobilehome subject to the National Manufactured Housing Construction and Safety Act of 1974 (42 U.S.C., Sec. 5401, et seq.).

Health and Safety Code Section 18008 defines a “mobilehome,” as

“a structure that meets the requirements of Section 18007” and it specifically excludes three items from the definition of a mobilehome: (1) a commercial coach, as defined in Section 18001.8, (2) factory-built housing, as defined in Section 19971, and (3) a recreational vehicle, as defined in Section 18010.

This staff analysis is provided to address various administrative, cost, revenue and policy issues; it is not to be construed to reflect or suggest the Board’s formal position.

In 1991, Part 13 (commencing with Section 5800) of Division 1 of the Revenue and Taxation Code, was amended to change its title from “The Mobilehome Property Tax Law” to “The Manufactured Home Property Tax Law.” Additionally, it substituted the term “manufactured home” for “mobilehome” within each section of the part (AB 2227 - Stats. 1991, Ch. 796). However, miscellaneous other sections of property tax law in Division 1 of the Revenue and Taxation Code still use the term “mobilehome.”

Proposed Law

This bill would amend Sections 62, 172, 172.1, 181, 194, 197, 441, 480.4, and 482, and the heading of Chapter 2.6 (commencing with Section 172) of Part 1 of Division 1 of the Revenue and Taxation Code to substitute the term “manufactured home” for “mobilehome.”

COMMENTS:

1. **Sponsor and Purpose.** This bill is sponsored by the Board of Equalization to conform the remaining references to mobilehomes to the term manufactured homes. This bill will eliminate questions as to whether, for property tax purposes, there is a substantive distinction between the two terms.
2. **Mobilehome Parks.** This bill does not propose to change the phrase “mobilehome park,” which is found in various sections of property tax law, to “manufactured home park”. This is an intentional omission since some interested parties object to such a name change.
3. **Suggested Amendments - Technical Housekeeping.** Unrelated to the purpose of this bill, existing law in two sections of code which this bill amends contain typos.
 - Section 62 (g) (at page 3, line 16), has an extra word, “and,” that should be deleted. The extra “and” makes the sentence nonsensical as the purpose of the sentence is conclusively to presume a 35 year renewal option exists when in fact there is no such renewal option. Additionally, similar phrasing in another section of law, Section 61(c), does not include the word “and” To correct this typo, the following amendment is suggested:

“For the purpose of this subdivision, for the 1979-80 and each fiscal year thereafter, it shall be conclusively presumed that all homes eligible for the homeowners’ exemption, other than manufactured homes located on rented or leased land and subject to taxation pursuant to Part 13 (commencing with Section 5800), that are on leased land **and** have a renewal option of at least 35 years on the lease of that land, whether or not in fact that renewal option exists in any contract or agreement.”

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- Section 172.1(a) (at page 5, line 39), uses “an” rather than “a” before “declaration.” To correct this typo, the following amendment is suggested:

“To claim tax relief in accordance with the provisions of this chapter, the owner shall execute ~~an~~ a declaration under penalty of perjury that the replaced manufactured home was destroyed by a disaster declared by the Governor and shall furnish with that declaration any other information, prescribed by the Department of Housing and Community Development after consultation with the California Assessors’ Association, as is necessary to establish eligibility for relief under this chapter.”

COST ESTIMATE

The Board would incur some minor absorbable costs in informing and advising county assessors, the public, and staff of the change in law.

REVENUE ESTIMATE

This measure has no revenue impact.

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